

# **EXPERT GROUP OF COMPANIES**

## **FINANCIAL STATEMENTS**

**For the 12 MONTHS  
DECEMBER 31, 2011  
(Unaudited)**

**Prepared by:**

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**Kim Marks, C.P.A., P.A.**

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To the Board of Directors  
EXPERT GROUP OF COMPANIES  
17501 BISCAYNE BLVD - STE 540  
NORTH MIAMI BEACH, FL 33180

We have compiled the accompanying balance sheet of EXPERT GROUP OF COMPANIES as of December 31, 2011, and the related statements of income and retained earnings and cash flows for the 12 Months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Kim Marks, C.P.A., P.A.  
March 5, 2012

**EXPERT GROUP OF COMPANIES**  
**BALANCE SHEET**  
**As of December 31, 2011**

**ASSETS**

**CURRENT ASSETS**

Cash in banks	\$ (8,809)
ATM Cash balances	140,850
Other Current Assets	<u>1,473</u>

**Total Current Assets** 133,514

**PROPERTY AND EQUIPMENT**

Property and equipment	96,632
Less: Accumulated Depreciation	<u>(10,972)</u>

**Net Property and Equipment** 85,660

**OTHER ASSETS**

Franchise fee	<u>3,720</u>
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**Total Other Assets** 3,720

**TOTAL ASSETS** \$ 222,894

**EXPERT GROUP OF COMPANIES**  
**BALANCE SHEET**  
**As of December 31, 2011**

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**CURRENT LIABILITIES**

Accounts payable	\$	21,995	
Amex - credit card		942	
Salaries payable		<u>73,100</u>	

**Total Current Liabilities** 96,037

**LONG-TERM LIABILITIES**

**Total Liabilities** 96,037

**STOCKHOLDERS' EQUITY**

Capital Stock	100	
Paid in Excess	446,766	
Retained Earnings	(6,126)	
Net Income	<u>(313,883)</u>	

**Total Stockholders' Equity** 126,857

**TOTAL LIABILITIES AND  
STOCKHOLDERS' EQUITY** \$ 222,894

# EXPERT GROUP OF COMPANIES INCOME STATEMENT

12 Months Ended

December 31, 2011

**Sales**

Commission Income	\$	94,840
Titles Services Income		7,514
Other income		12,046
Income - ATM machines		105,683
Less Returns & Allowances		0

**Total Sales** 220,083

**Cost of Goods Sold**

Credit reports, Condo fees etc.		3,087
ATM parts & supplies		6,110
Appraisal fees		800
Other costs		15,805
Commissions		95,511
Recruiting		202
Travel		702

**Total Cost of Goods Sold** 122,217

**Gross Profit** 97,866

**Operating Expenses**

Salaries and compensation		122,380
Payroll taxes		409
Office expenses		16,234
Rent and occupancy		35,710
Advertising and Marketing		15,952
Insurance		4,624
Legal and professional		9,766
Auto expense		2,368
Utilities		7,468
Depreciation and amortization		23,928
Miscellaneous		12,863

**Total Operating Expenses** 251,702

**Operating Income (Loss)** (153,836)

**Other Income**

Profit or Loss on Sales fo Assets		(158,523)
Interest expense		(1,524)

**Total Other Income (Loss)** (160,047)

**Net Income (Loss)** \$ (313,883)

**EXPERT GROUP OF COMPANIES**  
**STATEMENT OF CASH FLOWS**  
**For the 12 months Ended December 31, 2011**

	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Income (Loss)	\$ (313,883)
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:	
Depreciation and Amortization	23,928
Losses (Gains) on sales of Fixed Assets	0
Decrease (Increase) in Operating Assets:	
Accounts Receivable	1,500
ATM Cash balances	(140,850)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	14,662
Accrued Liabilities	(1,168)
Total Adjustments	<u>(101,928)</u>
<b>Net Cash Provided Bv (Used in) Operating Activities</b>	<b>(415,811)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Capital Expenditures	(165,910)
Other assets	(3,720)
Proceeds From Sale of Fixed Assets	<u>580,258</u>
<b>Net Cash Provided Bv (Used In) Investing Activities</b>	<b>410,628</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Notes Payable Borrowings	1,122
Notes Payable Repayments	(336,177)
Paid in Capital	280,998
Proceeds From Sale of Stock	<u>0</u>
<b>Net Cash Provided Bv (Used In) Financing Activities</b>	<b>(54,057)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(59,240)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>50,432</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>\$ (8,809)</u></u>

**EXPERT GROUP OF COMPANIES  
STATEMENT OF RETAINED EARNINGS**

**1 Month Ended  
December 31, 2011**

Beginning of Period	\$ (6,126)
Plus: Net Income	\$ (313,883)
Less: Dividends Paid	<u>0</u>

<b>RETAINED EARNINGS END OF PERIOD</b>	<u><u>\$ (320,009)</u></u>
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**EXPERT GROUP OF COMPANIES**  
**Notes to Financial Statements**  
**December 31, 2011**

**1. Accounting Policies**

These Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles. A summary of EXPERT GROUP OF COMPANIES's accounting policies are as follows:

Automobiles, Furniture & Fixtures, Equipment and Buildings are stated at cost, less accumulated depreciation or amortization computed on the straight-line method, and are depreciated over their estimated useful lives of three to ten years.

The company is a mortgage broker providing clients with mortgages on commercial and personal real property.

Additionally, the company has expanded operations to include setting up of ATM machines in various locations in South Florida.

**2. Property and Equipment**

Property and Equipment at December 31, 2011 and December 31, 2010 consist of:

	<u>2011</u>	<u>2010</u>
Building-Condominium	\$ 0	\$ 499,073
ATM Machines	63,835	0
ATM Modem	1,660	0
Office equipment	(13,941)	17,249
Phone System- BH	14,728	7,758
Leasehold improvement	1,890	8,204
Office furn. & fixture	0	37,782
Furniture - Bal Harbour	<u>28,460</u>	<u>28,460</u>
	96,632	598,526
Less: Accumulated Depreciation	<u>(10,972)</u>	<u>(74,589)</u>
	<u>\$ 85,660</u>	<u>\$ 523,937</u>